

DEERS TRICARE ELIGIBILITY RESPONSE PROCESSING

1.0. RESPONSE PROCESSING

1.1. Response Categories

1.1.1. There are five types of responses which the contractor will receive from the DEERS Eligibility Center. Due to constant updating of the DEERS data base, DEERS only guarantees the validity of the eligibility response for 24 hours from the time of the inquiry.

1.1.1.1. Sponsor not found

1.1.1.2. Family member patient not found

1.1.1.3. Patient eligible

1.1.1.4. Patient ineligible because of no TRICARE privileges, or

1.1.1.5. Patient ineligible because the treatment period is outside the entitlement period.

1.1.2. [Addendum D](#) contains a detailed description of each reason for change code.

1.2. Clerical Processing Requirements

Until the Contracting Officer informs the contractor(s) that the response for the DEERS System is acceptable without further development, the following clerical procedures will be used for processing the responses received from DEERS.

1.2.1. Sponsor Not Found

Under most circumstances the contractor will deny any claim containing a sponsor Social Security Number that is not on DEERS (Eligibility Response Code = 01). The following outlines the procedures to be utilized when the sponsor is not found on DEERS.

1.2.1.1. Verify the Sponsor's Social Security Number (SSN)

The contractor shall first check the claim and any files to ensure the correct SSN was sent to DEERS. If the number sent to DEERS was not correct, the contractor shall query DEERS using the correct sponsor number.

1.2.1.2. Check for New Accessions

If the claim contains information (e.g., copy of orders) to verify the sponsor is a recent enlistee, newly activated officer, or guard/reservist with at least a thirty (30) day tour of duty and a photocopy of the patient's ID card showing entitlement during the treatment period, the contractor shall override the DEERS response and process the claim. Since the sponsor is not yet on DEERS, the contractor will use the SSN from the orders or ID card for claims processing.

1.2.1.3. Check for Retirees

If the claim contains information (e.g., retirement papers) to verify the sponsor is an eligible retiree and a photocopy of the patient's ID card showing entitlement during the treatment period, the contractor shall override the DEERS response and process the claim.

1.2.1.4. Check for Deceased Sponsors

1.2.1.4.1. Processing the First Claim

If the claim contains information indicating the sponsor's status is deceased, the contractor shall override the DEERS response and process the claim. In addition, the contractor shall set an indicator to allow for overriding, up to ninety (90) days, any future claims for the patient which receive a Eligibility Response Code = 01.

1.2.1.4.2. Processing Claims After 90 Days

If at the end of ninety days, when the contractor queries DEERS for new claims, the reply indicates the sponsor is still not on DEERS, the contractor shall deny the claim, unless the claim contains information to verify the individual is eligible for TRICARE.

NOTE: Completing the claim is not verified information.

1.2.1.4.3. Processing Claim After 180 Days

If at the end of 180 days, when the contractor queries DEERS for new claims, the reply indicates the sponsor is still not on DEERS, the contractor shall deny the claim.

1.2.1.5. Other Situations

If the correct number was sent to DEERS and none of the above-described procedures apply, the contractor shall deny the claim.

1.2.2. Sponsor Found

If the sponsor is found on DEERS, the sponsor's SSN shall be downloaded to the contractor's system whether the patient is the sponsor or a family member and whether the claim is to be paid or denied.

NOTE: "Download" means actually downloading DEERS information into the contractor system where the contractor has not keyed an entry. It can also mean overlaying entries

already keyed for any field, including sponsor SSN, when downloading of the DEERS information is required. The downloading instructions apply only to TRICARE Standard beneficiaries.

1.2.3. Family Member Patient is Not Found

1.2.3.1. If the reply from DEERS indicates a match on the sponsor but not a match on the family member, the contractor shall examine the family data returned by DEERS to locate the patient. If the patient can be found, the contractor shall requery DEERS using the data on the DEERS file to obtain an eligibility determination. If the patient name is matched on DEERS it shall be downloaded into the contractor's system. If an exact name match cannot be made but a single occurrence of date of birth can be matched, the patient relationship matches the DEERS DDS code category generally, and patient sex can be matched, the name shall be downloaded. If multiple occurrences of the same date of birth appear, refer to Multiple dates of Birth in this section. Otherwise, the contractor shall deny the claim.

1.2.3.2. If the contractor is unable to select a patient from the family listing provided by DEERS, the contractor shall check the patient's date of birth. If the date of birth is within 365 days of the date of the query (i.e., a newborn less than 1 year old), the contractor shall release the claim for normal processing.

EXCEPTION: Effective October 1, 1991, if the child requires an Inpatient Nonavailability Statement in his/her own right, he/she will have to be enrolled on DEERS and a retroactive INAS will then be issued retroactive to the child's date of birth.

1.2.3.3. If the date of birth is over 365 days from the date of query, the contractor shall check the duty station or residence of the sponsor. If the sponsor resides overseas and/or an APO/FPO address is indicated for the sponsor, the claim shall be released for normal processing.

1.2.3.4. If an exact name match cannot be made on DEERS and more than one match can be made on the same date of birth but only one match can be made on sex, and the patient relationship compared to the DDS category of codes generally (such as child, values 01-19; or spouse, 30-39), the contractor shall download the name from DEERS into the contractor's system. If more than one match can be made on sex or patient relationship, the contractor shall use the name on the claim. An exception is where the contractor has identified a specific DDS for the patient on the current or previous claims. In this instance the name on DEERS shall be downloaded into the contractor's system.

1.2.3.5. If there are no family members on file for the sponsor, the contractor shall check the sponsor's status. If the sponsor's status indicates the sponsor is deceased, and either the sponsor or the family member appears in the sponsor data fields, the contractor shall process the claim and set a flag for a 90-day grace period to allow the family member time to get enrolled. If the family member resides in the sponsor data fields, the family member's SSN may be downloaded into the contractor's system. Otherwise, the claim is to be denied.

1.2.4. Family Data from DEERS

If DEERS cannot match on the patient DOB or the sponsor's last name, a family select screen will be returned to the contractor. The family data returned by DEERS in the

reply record reflect current information (branch of service, status, paygrade, etc.), not information at the time of treatment. The contractor will only obtain historical information when the individual patient is selected for eligibility verification.

1.2.5. Patient Eligible

1.2.5.1. Eligible With Possible Change in Status

Whenever the DEERS response indicates the patient is eligible and there has been no change in status, the contractor must still use the information on the claim or in their data base. If the contractor's data disagrees with the DEERS response (that is, the contractor has determined the individual is not eligible, for example, a known divorce or family member marriage), the contractor must deny the claim based on its data.

1.2.5.2. Eligible With a Possible Change in Sponsor Status

1.2.5.2.1. Occasionally the response will include two TRICARE Eligibility Response Codes, covering different periods of treatment. This will occur if there has been a change in the sponsor's status, but the family member patient is eligible during the entire treatment period. For these, the contractor shall check the sponsor's status field on the reply.

1.2.5.2.2. If the status on the first segment indicates active duty and the status on the second segment is either retired or deceased, the claim is to be multi-suffixed so that all the services rendered while the sponsor was active duty will be processed as one suffix and all the services rendered when the sponsor was not active duty will be processed as a separate suffix. Both statuses will be downloaded from DEERS into the contractor's system if the treatment periods cover both segments.

1.2.5.2.3. If the status on the first segment indicates retired and the second segment is deceased, do not split the claim, process it using the status of deceased. The deceased status shall be downloaded.

1.2.5.2.4. If the status on the first segment indicates retired and the second segment indicates active duty, multi-suffix the claim so that all the services rendered to the patient while the sponsor was on active duty is processed as one suffix. Both statuses shall be downloaded if the treatment period(s) cover both.

1.2.5.2.5. If the status on both segments for the requested treatment period is the same and they both indicate eligible, download the status from DEERS into the contractor system.

1.2.5.2.6. If the status on the first segment indicates deceased and the second segment indicates either retired or active duty, process the claim using the status on the second segment. The status of the second segment shall be downloaded from DEERS into the contractor's system.

1.2.5.2.7. For sponsor claims, the contractor should not receive two code 50s with different statuses. Should this occur, suspend the claim and contact TRICARE Management Activity (TMA).

1.2.5.2.8. For sponsor or patient claims for people over 65 where the DEERS Eligibility Response Code is TRICARE eligible, the contractor shall pay the claim regardless of whether a Medicare Notice of Disallowance is on file in the contractor's office. Either the DEERS Support Office or the Service verifying official will maintain a copy of the Medicare Notice of Disallowance on file.

1.2.5.2.9. Should copies of orders or an ID card accompany the claim indicating a different status than on DEERS, the DEERS status shall not be downloaded. The orders/ID card shall be presumed to be more current. The contractor shall use the status on the orders/ID card to update their system. If the DEERS status is "Other" or "Unknown," the contractor shall use the status on the claim form. If the status is not indicated on the claim form, the contractor shall develop the claim. For NATO claims, the sponsor status shall be reported as 'T' (ELNs 1-065 and 2-065) for HCSR reporting.

1.2.5.3. Downloading Branch of Service

1.2.5.3.1. Branch of Service shall be downloaded from DEERS unless DEERS indicates "Other" or "Unknown." In these situations, the Branch of Service from the claim shall be loaded into the contractor's system. If no Branch of Service is indicated on the claim, the claim is to be developed.

1.2.5.3.2. For NATO claims, the code that reflects the sponsoring military service of the NATO member shall be used for HCSR reporting.

1.2.6. Patient Ineligible Because of No TRICARE Privileges

1.2.6.1. DEERS may indicate the patient is not eligible for TRICARE during the treatment period because they have no TRICARE privileges. The contractor is to process the claim as follows:

1.2.6.1.1. If the DEERS Dependent Suffix (DDS) in the reply indicates a relationship other than self (20), spouse (30-39) or family member child (01-19), process claim in accordance with claims review for non-TRICARE claims.

1.2.6.1.2. If the claim is for the sponsor and the status on both the reply and the claim is active duty, process claim in accordance with claims review for active duty service members.

1.2.6.1.3. If the claim is for the sponsor, the status on the reply is active duty and the status on the claim is retired, check for papers attached to the claim that indicate the sponsor is a recent retiree. If such papers are attached, process the claim using the status of retired.

1.2.6.1.4. If the Alternate Care Flag = "V" (CHAMPVA), refer to [OPM, Chapter 8](#).

1.2.6.1.5. If the patient is over 65 and qualifies for the custodial care exception set forth in 32 CFR 199; i.e., initial TRICARE authorization or reimbursement for care occurred before June 1, 1977, care has been continuous up through age 65 and care is determined reasonable, the claim will not be denied. Process the claim in accordance with the Policy Manual.

1.2.6.1.5.1. If the sponsor's status indicates retired or deceased, deny the claim.

1.2.6.1.5.2. If the sponsor's status indicates active duty, process the claim with TRICARE as second payer.

1.2.6.1.6. Otherwise, the claim shall be denied.

1.2.6.2. The claim can be automatically denied whenever the claim supports the information received from DEERS.

1.2.7. Patient Ineligible Because the Treatment Period is Outside the Entitlement Period

1.2.7.1. If the response from DEERS indicates the patient was ineligible during the treatment period (Eligibility Response Code = 70), the contractor must examine the claim. The contractor will not accept the DEERS response without in-house or external research and development. Some situations will only require screening the claim and the DEERS response and little manual effort is needed. Other situations will require development using contractor files, development through written correspondence with the patient, sponsor or the Uniformed Services or telephonic development. The screening and development criteria will force claims into two categories of processing:

1.2.7.1.1. Deny claims totally or partially.

1.2.7.1.2. Release claim for normal processing.

1.2.7.2. DEERS will provide the eligibility start date and/or end date, as appropriate, whenever a Eligibility Response Code 70 is sent by DEERS.

1.2.7.2.1. If treatment began after eligibility ended, the "Eligibility End Date" from the DEERS data base, plus one day, will be returned in the first "Eligibility Start/End Date" field and the "To Date of Treatment" from the query will be returned in the second "Eligibility Start/End Date" field in the reply. The reply will indicate ineligibility from the day following the "Eligibility End Date" through the end of treatment.

1.2.7.2.2. If the treatment occurred prior to eligibility starting, the "From Date of Treatment" from the query will be returned in the first "Eligibility Start/End Date" field and the "Eligibility Start Date" from the DEERS data base, minus one day, will be returned in the second "Eligibility Start/End Date" field in the reply. The reply will indicate ineligibility from the first date of treatment through the day prior to the "Eligibility Start Date"

1.2.7.2.3. By comparing the reply dates to the treatment dates queried, the contractor shall be able to determine which of the two situations described above has occurred.

2.0. CONTRACTOR ACTIONS FOR REPLIES INDICATING PATIENT INELIGIBLE - TREATMENT PERIOD OUTSIDE ENTITLEMENT PERIOD

2.1. Deny Claim Totally Or Partially

Contractors shall deny a claim (either totally or partially) if the DEERS response is consistent with the identification card information on the claim or in the contractor's files and the services were received partially or entirely outside any period of eligibility. In

addition, all or part of the claim shall be automatically denied if the DEERS response contains one of the following "Reason for Change" codes and any date(s) of service fall outside the period of eligibility:

2.1.1. S - Sponsor Active Duty Separation

2.1.2. D - Death

2.1.3. T - Divorce

2.1.4. H - Family Member Married

2.1.5. J - Family Member on Active Duty

2.1.6. F - Invalid Enrollment

2.1.7. E - End of Entitlement

2.2. ID Card or Eligibility Expiration

2.2.1. If the DEERS reply indicates a reason for change code of P, Estimated Card or Eligibility Expiration Date, process the claim normally.

2.2.1.1. Otherwise, the claim is to be denied.

2.2.1.2. Former Spouse with Pre-Existing Condition and Abused Family Members

A former spouse with a pre-existing condition or an abused family member may remain eligible for TRICARE benefits for one additional year only for the specified pre-existing condition, although she/ he will be coded as ineligible by DEERS. A Memorandum of Authorization issued by the military service must be attached to the claim to verify the eligibility of the former spouse or abused family member for the designated period of time and for the identified condition. For these beneficiaries, the contractor shall override the DEERS eligibility response on the Type '3' Response Record and override the INAS or ONAS requirements.

2.3. Other Eligibility Response Code 70s

All other claims receiving a Eligibility Response Code 70 are to be denied unless the contractor has information in their files to override the DEERS determination.

2.4. Adjustment Processing

If the claim was previously denied, the contractor shall reprocess it as a new claim. If the claim requires an additional payment, or a partial payment, the contractor is to reprocess it as an adjustment using a Record Processing Mode (RPM) indicating a non-contractor error (RPM A, B, C, or D). The adjustment will be considered a non-contractor error if procedures prescribed by TMA and DEERS have been followed in processing the original claim.

3.0. CONTRACTOR ACTIONS REQUIRED FOR OTHER SITUATIONS

3.1. Different Spouse Found On DEERS

If a claim for a spouse is received and the claim and DEERS key data elements do not match and DEERS has a different spouse on its data base, suspend the claim. Investigate to determine if the spouse on the claim is a legitimate spouse.

3.2. Different Status

Occasionally the sponsor's status in the DEERS reply will not agree with the sponsor's status included on the claim. If this situation occurs, follow the action described below:

3.2.1. Patient Is The Sponsor, Not On Active Duty

If DEERS has the sponsor as active duty and the claim has the sponsor as retired or deceased, the contractor shall examine the claim or their files to check for a recent retirement. If no such documentation exists, the claim is to be developed to override the DEERS Sponsor Status. If development is not received, the DEERS Sponsor Status will take precedence.

3.2.2. Patient is a Family Member

3.2.2.1. If DEERS has the sponsor on active duty and the claim indicates the sponsor is retired or deceased, the contractor shall develop for retirement orders or ID card to override the DEERS Sponsor Status. If development is not received, the DEERS Sponsor Status shall take precedence.

3.2.2.2. If DEERS has the sponsor as retired or deceased and the claim has the sponsor as active duty, the claim is to be developed by requesting a photocopy of the patient's ID card.

3.3. Pay Grade Different On DEERS

To determine the appropriate deductible category for beneficiaries (including PFPWD) of active duty sponsors, the following downloading instructions apply:

3.3.1. If the claim has a higher pay grade than DEERS, the contractor shall use the pay grade on the claim. Development for proof of the pay grade change is not necessary.

3.3.2. If the claim has a lower pay grade than DEERS and the deductible has not been met, the contractor shall develop for orders or an ID-Card indicating the lower pay grade during the treatment encounter to override DEERS. If development is not received, the pay grade on DEERS shall take precedence.

3.3.3. If the pay grade on DEERS indicates "other" or "unknown", the contractor shall develop for pay grade. If development is not received, the contractor shall utilize an internal system randomizing determination.

3.3.4. If the claim indicates NATO, pay grade '90' shall be used.

3.4. Name Differences

If the last name for either the patient or the sponsor is “Research” do not send a discrepancy record nor notify the beneficiary of the name difference. DEERS codes “Research” in the last name field, when they are researching the record. Process the claim and update the contractor’s system using the name on the claim form.

The field “Latest SSN” on the Type 3 DEERS response indicates that DEERS has identified more than one SSN for the sponsor. Generally, these result from potential transpositions. The “Latest SSN” field will contain the most recent SSN used to query the sponsor’s record by the contractor prior to the current query. This field should be used as a flag to the contractor that more than one deductible may be set up for the family.

3.5. Patient Relationship**3.5.1. Claim Patient Relationship Compared to DEERS Dependent Suffix (DDS)**

3.5.1.1. The patient relationship on the claim form is normally more specific than the DEERS Dependent Suffix. For instance, codes 01-19 are for children but no distinction is made between natural children, adopted children or step children. The purpose of the DDS is to numerically identify each child uniquely. The chronological identification is based upon the order in which the children were entered into DEERS rather than date of birth. For example:

NAME	DDS	DATE OF BIRTH
Name	DDS	Date Of Birth
Jones, John	01	10/02/1988
Jones, Sarah	02	05/10/1982
Smith, Bonnie	03	03/08/1979
Smith, Julie	04	02/15/1990

A claim for Sarah Jones would indicate that she is a step child whereas DEERS only specifies child ‘02’. However, the contractor can compare the step child claim designation to the range of DDS codes 01-19 for children to make a positive match of “child” generally. This comparison is made primarily to distinguish father from son with the same name but shall be made for any patient, child, spouse, retired sponsor, etc., for whom a claim is submitted. Once this general match is made, other downloading requirements specified in this chapter can be accomplished.

3.5.2. Claim Patient Relationship Compared to DEERS Relationship Code

The Claim Form Patient Relationship Code is less specific than the DEERS Patient Relationship Code particularly for various classifications of former spouses. Using the same general matching principle as above, the contractor shall match spouse from the claim form to the range of spouse and former spouse codes on DEERS. The DEERS Relationship Code shall be downloaded as long as the beneficiary name and date of birth agree with the respective DEERS fields. The Claim Form Patient Relationship Code comparison to the

DEERS Patient Relationship Code shall be made for any patient, child, spouse, retired sponsor, etc., for whom a claim is submitted.

3.6. Sample Basic Downloading Logic

3.6.1. The following is a sample of basic programming logic associated with downloading the required fields from DEERS. It begins with date of birth because this is one of the first fields that the contractor matches with DEERS once a Type 3 or 4 response has been returned from DEERS. It is not imperative that the contractor follow this logic exactly as each system is different. It is only meant as a guideline to clarify the downloading requirements set forth in this chapter.

If CLAIM-DOB = DEERS-DOB exactly

Download DEERS-DOB

Else

If CLAIM-NAME = DEERS-NAME exactly and

CLAIM-SEX = DEERS-SEX and

CLAIM-REL = DEERS-DDS generally, such as within 01-19 for children & 30-39 for spouse

Download DEERS-DOB

Else

If CLAIM-NAME = DEERS-NAME exactly

Download DEERS-NAME

Else

If CLAIM-NAME (approx =) DEERS-NAME and

CLAIM-SEX = DEERS-SEX and

CLAIM-REL = DEERS-DDS

Download DEERS-NAME

Else

Develop for correct Name before processing further

If CLAIM-SEX = DEERS-SEX and

CLAIM-REL = DEERS-DDS generally as stated above

Download DEERS-DOB and DEERS-DDS

Else

Develop for correct DOB before processing further

Develop for correct DOB before processing further

If CLAIM-SEX = DEERS-SEX and

CLAIM-REL = DEERS-DDS generally as stated above

Download DEERS-DOB and DEERS-DDS

Else

Develop for correct DOB before processing further

If CLAIM-SEX = DEER-SEX

Download DEERS-SEX

Else

Develop for correct Sex

If CLAIM-REL = DEERS generally

Download the DEERS DDS
 Else
 Develop for correct Relationship

If CLAIM-REL = DEERS-REL-Code generally
 Download the DEERS-REL-CODE
 Else
 Develop for correct Relationship

3.6.2. Other fields that are to be downloaded such as Sponsor SSN, Sponsor Status, Sponsor Branch of Service, and Sponsor Pay Grade are more straight forward and no sample of logic is necessary.

3.7. Operation Desert Storm Indicator

3.7.1. In the DEERS Type 3 Response Record, the Operation Desert Storm Indicator will designate whether or not the sponsor was involved in Operation Desert Storm. If he/she was, a 'D' will appear in this field. All beneficiary claims for dates of service from April 1, 1991 through September 30, 1991, will be exempt from the increased deductible. If a blank appears in this field, the sponsor was not involved in Operation Desert Storm, and the deductible increase effective April 1, 1991, will apply. When a copy of the sponsor's Leave and Earnings Statement (LES) accompanies the claim and shows entitlement to Imminent Danger Pay, the contractor shall override any blank in the Operation Desert Storm Indicator field and exempt the claim from the increased deductible. If a Desert Storm sponsor's status changes from active duty to retired or deceased through September 30, 1991, he/she and his/her family members are exempt from the deductible increase through September 30, 1991. Effective October 1, 1991, the increased deductible will apply to beneficiary claims from all sponsors E-5 and above.

3.7.2. The DEERS Type 3 Response Record, Desert Storm Indicator, has been expanded to designate a value of 'B' for **Bosnia**, '**D**' for **Operation Desert Storm** or Operation Joint Endeavor and 'E' for Operation Noble Eagle/Operation Enduring Freedom, to indicate that a reservist has been called to Active Duty for the specific assignment of Operation Joint Endeavor and Operation Noble Eagle/Operation Enduring Freedom. If a value of 'B' appears in the field, the annual deductible shall not be applied to the Active Duty family members' TRICARE claims. If a value of 'E' is present and the beginning date of service is before November 1, 2004, the annual deductible shall not be applied to the Active Duty family members' TRICARE claims, and we will pay non-participating physicians up to 115% of the CMAC or billed charges whichever is less. If a blank or value of 'D' is present in the field, the waiver of deductible is not applicable to the family members of the specific Active Duty member. If the beneficiary presents orders or other notification, i.e., correspondence received from the Services or the DEERS Support Office (DSO), it must specifically state that the Active Duty sponsor was called up from their Reserve Unit for Operation Joint Endeavor or Operation Noble Eagle/Operation Enduring Freedom. If such documentation is presented, the deductible may be waived and any necessary resulting adjustment shall be processed. A copy of the documentation shall be filed with the claim/adjustment. If the sponsor's status is changed from Active Duty to deceased, the waiver of deductible policy will no longer apply effective with the date of death. For additional information please refer to TRICARE Reimbursement Manual, [Chapter 2, Section 1](#).

3.8. Transitional Assistance Management Program (TAMP)

TAMP is available for reservists who served in connection with Operation Desert Storm and their family members, and for service members involuntarily separated from active duty and their family members. Sponsors and family members eligible under TAMP will be identifiable to the contractor by a value 'P' in the Sponsor Status Field on the DEERS Type 3 Response Record (Figure 9-A-12). When the value 'P' is present with an eligible response, the contractor shall cost-share claims as active duty.

3.9. Other

If a claim is received and eligibility is questionable, suspend the claim and develop. Development could include a request for a photocopy of the ID card.

3.10. Former Spouse - URFS/04 Classification

A former spouse who has been married 20 years to a sponsor and at least 15 but less than 20 of those married years were creditable in determining the sponsor's service, and whose divorce became final on or after September 29, 1988, will be coded by DEERS as URFS/04 and will remain eligible for a specified period of time. At the end of their eligibility period, some of these former spouses will remain TRICARE eligible due to a specified preexisting condition for an additional year. During this additional period of eligibility they will be coded by DEERS as ineligible. In such cases, a Memorandum of Authorization issued by the military service shall be submitted by the beneficiary or provider of services along with the claim form. The Memorandum of Authorization will verify the eligibility of the former spouse for the period of time the conditions identified on the memorandum. The contractor shall override the DEERS coding of "ineligible" when all of the above conditions are present and process the claim as usual. For a sample of the Memorandum of Authorization and policy on its use, see the Policy Manual.